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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Mark A. Hoffman
v.
Ace Antenna Company

Cancellation No. 92032096

Perry J. Hoffman of Michael Best & Friedrich LLP for Mark A. Hoffman.

Gregory S. Kim of Kim & Lee for Ace Antenna Company.

Before Seeherman, Bucher and Holtzman, Administrative Trademark Judges.

Opinion by Holtzman, Administrative Trademark Judge:

Mark A. Hoffman (petitioner or "Hoffman") has filed a petition to cancel a registration owned by Ace Antenna Company (respondent) for the mark ACE TECHNOLOGY for the following goods:¹

Cellular antennas, cordless telephone antennas, cb transceiver antennas, hand-held radio antennas, land mobile

¹ Registration No. 2439269, issued March 27, 2001. The word "TECHNOLOGY" is disclaimed.

radio antennas, PCN antennas, pager antennas, aerospace antennas, marine antennas, booster antennas, telecommunications equipment, namely, band pass filters, combiners, band reject filters, satellite-spike antennas, arrestors, automobile boosters, cellular RF band power amplifiers, power dividers, automobile cellular repeaters, wireless cellular and pager repeaters, bi-directional amplifiers, coaxial circulators, HYB couplers, broad band amplifiers, ferrite isolators, bi-directional amplifiers, low noise amplifiers and low noise block down converters. In Class 9.²

As its ground for cancellation, petitioner alleges that he is the owner of the mark ACETEC for manufacturer's representative services in the field of communications components; that he adopted and has continued to use ACETEC in connection with these services since at least as early as March 1995 and prior to the April 12, 1999 filing date of the application that issued into respondent's registration; and that respondent's mark when applied to respondent's goods so resembles petitioner's previously used mark ACETEC for its manufacturer's representative services as to be likely to cause confusion. Petitioner further alleges that on November 29, 1999, petitioner applied for registration of ACETEC for those services (Serial No. 75859199) and that the application is suspended pending the outcome of this proceeding.

² At the time the petition to cancel was filed, the registration listed not only goods in Class 9, but also services in Class 42, and the petition was filed against both classes. However, the Board determined that the registration issued in error in Class 42 (see order dated December 16, 2002) and the Office subsequently issued a certificate of correction deleting Class 42 from the registration. Accordingly, this petition has gone forward only against the goods in Class 9.

Respondent, in its answer, has admitted that petitioner filed the identified application on November 29, 1999, and has denied the remaining salient allegations in the petition to cancel. In addition, respondent has asserted the affirmative defenses of failure to state a claim, failure to join an indispensable party, unclean hands, laches, equitable estoppel, and acquiescence. Respondent has also asserted that it is entitled to a registration with "a particular restriction, including but not limited to a geographic restriction...."

Both parties took discovery and submitted evidence during trial, and both filed briefs on the case. However, it is clear that neither party attempted to comply with the applicable rules regarding the introduction of evidence at trial and neither party has included a description of the record in its brief. Thus, before proceeding further, we need to clarify what evidence is of record.

We note that, earlier in the proceeding, the parties had filed cross-motions for summary judgment with accompanying evidence on the likelihood of confusion claim. In an order issued December 16, 2002, the Board denied both motions for summary judgment and reset the case for trial.³

³ Following receipt of respondent's answer, petitioner filed a motion to strike all of respondent's affirmative defenses except respondent's assertion that it is entitled to a restricted registration. In addition to its ruling on the summary judgment motions, the Board in its December 16, 2002 order granted the motion to strike as

No testimony was taken during trial, but each party submitted during its testimony period notices of reliance on materials which, for the most part, are inappropriate for introduction in that manner. See Trademark Rule 2.122(e) and TBMP §704 (2d ed. rev. 2004). The parties also attached hundreds of pages of exhibits to their briefs and each party has objected to certain attachments to the brief filed by the other.

We have determined that most, if not all, of the materials submitted at trial consist of evidence that had previously been submitted with the parties' summary judgment motions. Ordinarily, evidence submitted in connection with a motion for summary judgment is of record only for purposes of that motion and does not form part of the evidentiary record at trial unless it is properly introduced in evidence during trial. See TBMP §528.05(a) (2d ed. rev. 2004). However, inasmuch as both parties have chosen to introduce their evidence in a manner that is not in accordance with the applicable rules, we will treat all the evidence submitted under the notices of reliance, whether otherwise proper or not, as stipulated into the record.

We will not consider of record any materials attached to the briefs which were not submitted by the parties during trial. See TBMP §704.05(b) (2d ed. rev. 2004). All of the materials

uncontested, ordering all of the challenged defenses stricken, and advised respondent that geographic restrictions can only be decided in the context of a concurrent use proceeding.

attached to petitioner's brief, with the exception of the declaration of Mark Hoffman, were submitted during trial. Accordingly, the Hoffman declaration will not be considered.⁴

Respondent attached exhibits marked A-D to its brief. We have determined that exhibits A-C are copies of documents previously submitted under respondent's various notices of reliance. However, the documents comprising exhibit D were not submitted during trial (nor with the summary judgment motion) but instead were submitted for the first time with respondent's brief. As with the Hoffman declaration, and in view of the fact that petitioner, in its reply brief, has objected to this submission, this exhibit will be given no consideration.⁵

Thus, the evidence of record for petitioner includes the following: respondent's responses to admission requests; the declaration of Dave Barrel; the file contents of petitioner's pleaded application Serial No. 75859199 including specimens

⁴ Petitioner also attached the declaration of Dave Barrell to its brief and respondent has objected to its introduction. However, because this declaration was submitted during trial by petitioner and had also formed part of the record on summary judgment, the basis for this objection is not understood and it is accordingly overruled. On the other hand, since the Hoffman declaration was not submitted either with the summary judgment motion or during trial, we will assume that respondent intended to direct its objection to the Hoffman declaration and to that extent the objection is well taken.

⁵ The fact that respondent may have produced these documents to petitioner during discovery does not provide notice to petitioner that respondent intended to rely on these documents during trial. Moreover, even if we did consider this evidence on the merits, it would not change the outcome of this case or any aspect of our decision.

consisting of petitioner's website materials and the Office action refusing registration; petitioner's "fictitious name statement" and "name reservation certificate" for "ACETEC Advanced Communication Electronics" filed with the State of California on September 16, 1994; copies of respondent's product catalogs; and documents such as purchase orders and price and requirements quotations which petitioner has relied on to show its first use of the ACETEC mark.

Respondent's record includes the following: (1) a copy of respondent's motion for summary judgment with attached exhibits A-D which include portions of the discovery deposition of Hoffman;⁶ petitioner's responses to document requests; and the articles of incorporation for Acetec, Inc. dated November 21, 2000; and (2) a copy of respondent's response to petitioner's motion for summary judgment with accompanying "supplemental exhibits" E-I including the declaration of Gwan Young Koo, president of Ace Technology Corp., a Korean corporation and respondent's parent corporation; portions of the discovery

⁶ Although only certain portions of the deposition were submitted with respondent's brief, the entire deposition was submitted in connection with respondent's motion for summary judgment. The paper "lodging" the deposition (which we interpret to mean "making of record"), along with the cover page of the deposition was submitted under one of respondent's notices of reliance. Thus, although the deposition itself was not submitted with the notice of reliance we consider this sufficient notice to petitioner that respondent intended to rely on the deposition at trial and we deem the entire deposition to be of record. We also note that petitioner has not objected to respondent's reliance on the deposition and on the contrary has addressed this evidence on the merits.

deposition of Daeny Yong Sung, Ph.D.; respondent's "company chronology"; a dictionary listing for the term "tec" as an abbreviation for "technology," "technical" and "technician" obtained from *Websters Third New International Dictionary* (1961);⁷ and pages from the website of the ACETEC website (www.acetec.com).⁸

We turn then to the question of standing. The record shows, and there is no dispute, that Hoffman was operating his manufacturer's representative business as a sole proprietorship under the name ACETEC Advanced Communication Electronics when he filed his application for ACETEC on November 29, 1999; that subsequent to the filing of the application, the sole proprietorship was incorporated by Mr. Hoffman on November 21, 2000 as Acetec, Inc.; and that since that time, it is the corporation that has rendered the manufacturer's representative services under the ACETEC mark. The record also shows that Hoffman is the president and sole shareholder of the corporation. Hoffman Disc. Dep., pp. 8, 34.

⁷ Although the copy of this listing is missing from the Board's electronic records (and from respondent's summary judgment record), we have been able to locate the identified resource and we note that it defines the term as respondent claims. Thus, we take judicial notice of this definition.

⁸ Any materials or exhibits that were referenced in respondent's brief in support of or in response to summary judgment (items 1 and 2 above) but not made part of the record by submitting them at trial will not be considered.

Petitioner has based its standing on its asserted common law ownership of the mark and its asserted ownership of an application that has been refused registration as a result of the registration herein. Respondent contends that petitioner does not have standing, and more particularly, that petitioner abandoned the mark and lost his standing because once Hoffman incorporated his sole proprietorship, he no longer owned or used the mark. Respondent concludes that since Hoffman no longer uses the mark he cannot be damaged by respondent's registration. According to respondent, Hoffman "conceded" at his deposition that "he does not know" whether he owns the mark or whether he licensed the mark to the corporation. Brief, pp. 3-4. For example, in response to the question, "[t]he corporation, Acetec, Inc.--well, let me do it this way: Today who owns the mark Acetec" Hoffman answered, "I don't know." Disc. Dep. p. 24.

Standing is a threshold inquiry directed solely to establishing a plaintiff's interest in the proceeding. To establish standing, it must be shown that a plaintiff has a "real interest" in the outcome of a proceeding; that is, plaintiff must have a direct and personal stake in the outcome of the proceeding. See *Cunningham v. Laser Golf Corp.*, 222 F.3d 943, 55 USPQ2d 1842, 1844 (Fed. Cir. 2000); and *Jewelers Vigilance Committee, Inc. v. Ullenberg Corp.*, 823 F.2d 490, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987). See also *Lipton Industries, Inc. v.*

Ralston Purina Co., 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982). The purpose of requiring a "real interest" in the proceeding is to prevent mere intermeddlers who do not raise a real controversy from bringing proceedings before the Board. See *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999).

We find that Hoffman has demonstrated his standing. He has made of record a copy of his pleaded application for ACETEC showing on its face that he is the owner and that the application has been refused registration as a result of the registration herein. No more is necessary for standing. See *Lipton, supra*.

Moreover, petitioner has shown, *prima facie*, that he is the owner of the common law mark ACETEC. There is a presumption that ownership of a mark passes with ownership of the pertinent business with which the mark is associated. See *Plitt Theatres, Inc. v. American National Bank & Trust Co.*, 697 F.Supp. 1031, 9 USPQ2d 1226 (ND Ill 1988) and *J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition*, §18:37 (4th ed.). Thus, in this case, the presumption would be that the corporation, Acetec, Inc., owns the ACETEC mark. However, the record shows that Hoffman is the sole shareholder of the corporation. This evidence overcomes the presumption that the corporation owns the mark. As stated by the Court in *In re Wella A.G.*, 787 F.2d 1549, 229 USPQ 274 (Fed. Cir. 1986)(Nies, J., concurring), the entity which controls the nature and quality of the goods or services

provided under the mark is the owner. In view of Hoffman's ownership of all the stock of the corporation, it is presumed that he controls the corporation and the nature and quality of the services rendered by the corporation. Thus, Hoffman is presumed to be the owner of the mark. See *In re Hand*, 231 USPQ 487 (TTAB 1986) and *McCarthy*, supra at §16:36. Moreover, although there is no evidence that the corporation was ever expressly granted a license to use the mark, the evidence is sufficient to presume at least an implied license to the corporation. See *McCarthy*, supra at §18:43.1 and, e.g., *University Book Store v. University of Wis. Bd. of Regents*, 33 U.S.P.Q.2d 1385, 1396 (T.T.A.B. 1994).

Hoffman having shown, prima facie, that he is the owner of the application and the owner of the common law mark, the burden shifted to respondent to produce evidence that he is not the owner. See *Lipton*, supra, at 189-190 (wherein the Court noted that a registrant whose registration is cited against a petitioner's application could "seek to attack the legitimacy of [petitioner's] application" or "in some other way negate [petitioner's] interest ... However, the legitimacy of the petitioner's activity from which its interest arises will be presumed in the absence of evidence to the contrary."). Again, as the sole shareholder of the corporation, it is presumed that

Hoffman controls the nature and quality of the services rendered by the corporation.

Respondent has failed to rebut petitioner's showing. Contrary to respondent's apparent contention, Hoffman's statement that he did not know whether he is the "owner" of the mark is not an admission at all. Moreover, any such admission, even if made, would have been an admission of a conclusion of law, not fact, and as such would not be entitled to great weight.⁹ Respondent has not rebutted or even disputed any of the facts underlying petitioner's claim of ownership of the mark such as his shareholder status or his presumed control over the nature and quality of the services provided by the corporation.

PRIORITY

Petitioner states in his discovery deposition that he first used the mark ACETEC in connection with manufacturer's representative services in the field of communications components as a sole proprietor in 1994. The fictitious name statement filed by petitioner with the State of California in 1994 is not evidence of petitioner's use of the mark as of that date. However, petitioner has submitted documents, including price and requirement quotations for communications components and product

⁹ We note, for example, that when Hoffman was asked, "Okay...you as an individual, do you have any objection to the corporation...using the term 'Ace Tec'[sic]" he answered, "I don't know the legal details...." Disc. Dep., p. 26.

orders, which evidence use of the mark ACETEC by Hoffman in connection with his manufacturer's representative services as early as April 26, 1995.¹⁰

Respondent contends that it used the mark ACE TECHNOLOGY in 1994, prior to petitioner's first use. A party is entitled to prove an earlier use than the first use dates stated in its registration, in this case, May 1997,¹¹ but its proof must be clear and convincing. See *Martahus v. Video Duplication Services Inc.*, 3 F.3d 417, 27 USPQ2d 1846 (Fed. Cir. 1993). Respondent has failed to establish any use prior to the April 1995 first use date of petitioner by clear and convincing evidence. Mr. Koo states in his declaration that "[f]rom January 1994 onward, Ace used 'ACE TECHNOLOGY' in conjunction with its sale of products, including but not limited to labelling [sic] those products as such." Decl., p. 2. This statement is not only unsupported by

¹⁰ In order to establish priority, petitioner is required to only show prior use, not continuous use of its mark. See *West Florida Seafood Inc. v. Jet Restaurants Inc.*, 31 F.3d 1122, 31 USPQ2d 1660 (Fed. Cir. 1994). Moreover, there is no allegation by respondent that Hoffman abandoned use of the mark at any time prior to incorporation of his business in November 2000.

¹¹ On February 15, 2002, during the pendency of this proceeding, respondent filed an amendment with the Post Registration section of the Office to change the dates of use in its registration from May 1997 to January 1994. The amendment has been entered by Post Registration. Where a registration is involved in a proceeding before the Board, it is the Board that has jurisdiction to determine any proposed amendments to the registration. See Trademark Rule 2.133(a) and TBMP §514.01 (2d ed. rev. 2004). Thus, the amendment should not have been filed with Post Registration, and Post Registration should not have acted on the amendment. Under the circumstances, the amendment will be given no effect.

any documentary evidence, but it appears to be contradicted by other statements he makes, and moreover is on its face unclear. Mr. Koo is president of respondent's parent, Ace Technology Corp., which is a Korean company. Mr. Koo states that Ace Technology Corp. was incorporated in 1982, but then adds that "[a]t that time, it was called Myung Sung Trading." Decl., p. 1. In 1993, according to Mr. Koo, a U.S. subsidiary was formed under the name Ace Microwave Products, Inc. Thus, when Mr. Koo says that "ACE" used the mark, it is unclear which company "ACE" refers to, the Korean company or the U.S. subsidiary. In addition, Mr. Koo does not state that such use was in the United States or in any commerce with the United States.¹² We note that the "Company Chronology" introduced during Mr. Sung's deposition contains an entry for February 1993 stating "Established an overseas office, Ace Antenna Company, Inc., Incorporated in the US...Start-up Capital:... (Wholly funded by ACE TECH.)". However, the meaning of that reference is not clear on its face and Mr. Sung never satisfactorily explains the entry or what it represents.¹³ Thus, respondent has failed to show, by clear and

¹² Trademark rights arise solely out of use of the mark in U.S. commerce. See *Person's Co. v. Christman*, 900 F.2d 1565, 14 USPQ2d 1477, 1479-80 (Fed. Cir. 1990). We would also point out that the issue here concerns the first use of ACE TECHNOLOGY, not Ace Microwave Products, Ace Antenna Company or any other asserted "ACE" marks.

¹³ We have already ruled as inadmissible the materials attached as "exhibit D" to respondent's brief. In any event, those materials do not show use of ACE TECHNOLOGY in the United States or at least any use

convincing evidence, use of respondent's mark prior to the first use date established by petitioner.

LIKELIHOOD OF CONFUSION

Although petitioner alleged facts in the petition bearing on the likelihood of confusion, petitioner has taken the position in his brief that he is entitled to rely solely on the examining attorney's position that there is a likelihood of confusion to prove his case and that petitioner is only required to prove his priority of use in order to prevail. Petitioner is mistaken. Regardless of whether the claim is asserted hypothetically or directly, petitioner is still required to prove the facts underlying the likelihood of confusion claim.¹⁴ The Board is not bound by decisions of examining attorneys. See *Cineplex Odeon Corp. v. Fred Wehrenberg Circuit of Theatres Inc.*, 56 USPQ2d 1538 (TTAB 2000).

Thus, we do not have the benefit of petitioner's arguments regarding most of the relevant likelihood of confusion factors.

prior to petitioner's April 1995 proven date of first use. In addition, the fact that petitioner pleaded a date of first use earlier than April 1995 in the petition or claimed an earlier date in his deposition is immaterial. The only relevant point is that petitioner proved a date of first use that is earlier than any date proven by respondent.

¹⁴ Fed. R. Civ. P. 8(e)(2) provides for inconsistent and hypothetical pleadings. In effect, the rule allows petitioner to take a position in the cancellation proceeding that is inconsistent with the position taken before the examining attorney. See *Lia Jene Inc. v. Vitabath, Inc.*, 162 USPQ 469 (TTAB 1969) and *Watercare Corporation v. Midwesco-Enterprise, Inc.*, 171 USPQ 696 (TTAB 1971).

Nevertheless, the question of likelihood of confusion must be determined from the record, and we find based on the record that confusion is likely.

Here, as in any likelihood of confusion analysis, we look to the factors set forth in *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973), giving particular attention to the factors most relevant to the case at hand, including the similarity of the marks and the similarity of the goods and services. See *Federated Foods, Inc. v. Fort Howard Paper Co.*, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

Petitioner's mark ACETEC and respondent's mark ACE TECHNOLOGY convey the same meaning and the same overall commercial impression. Both marks begin with the identical word "ACE." In respondent's mark, "ACE" is followed by the word "TECHNOLOGY." In petitioner's mark, "ACE" is followed by the term "TEC" which, as shown by respondent's dictionary listing, is simply a shortened form of "technology." As respondent points out, "tec" is also defined in the listing as "technician" and "technical." While it is possible that purchasers of petitioner's services involving communications components may think of one or the other two meanings in relation to the services, those purchasers are just as likely to assume that "tec" refers to the "technology" used in those products and

therefore perceive the meaning of ACE TECHNOLOGY and ACETEC as being the same.

There are obviously some differences in the marks. However, those differences are far outweighed by their similarities and do not affect the meaning or the commercial impressions the marks as a whole convey.

Turning to the goods and services, respondent's goods include cellular antennas and cordless telephone antennas, and telecommunications equipment including satellite-spike antennas, cellular RF band power amplifiers, coaxial circulators and ferrite isolators. Petitioner renders manufacturer's representative services in the field of communications components. Disc. Dep., p. 38. Petitioner states in his deposition that he does not sell the communications components but rather "facilitates" the purchase of those products. Disc. Dep., pp. 39, 48. In other words, he acts as a middleman between manufacturers of communications components and manufacturers of devices that incorporate those components. The parties' goods and services, as identified, are on their face related. Moreover, the relatedness of the respective goods and services is confirmed by respondent's product catalog, indicating that respondent provides "components for... mobile communication systems" and petitioner's website materials, showing that petitioner represents companies that produce not just the same

types of goods but some of the same goods as respondent, such as coaxial circulators and ferrite isolators. Thus, respondent's goods and petitioner's services are clearly complementary, closely related goods and services. See, e.g., *In re Hyper Shoppes (Ohio) Inc.*, 837 F. 2d 463, 6 USPQ2d 1025 (Fed. Cir. 1988) (finding that confusion may result if the same or similar marks are used for goods, on the one hand, and for services involving those goods, on the other).

There is some evidence that the trade channels for the parties' goods and services overlap; the parties have promoted their goods and services at some of the same trade shows. *Hoffman Disc. Dep.*, p. 68. But even if the goods and services do not move in the same channels of trade, there is no question that they would come to the attention of the same purchasers, i.e., manufacturers of devices that incorporate communications components, under circumstances that would cause them naturally to assume, in view of the similarity of the marks, that the goods and services emanate from the same source or that there is otherwise some connection between them. See, e.g., *Luzier Inc. v. Marlyn Chemical Co., Inc.*, 442 F.2d 973, 169 USPQ 797 (CCPA 1971). See also, *In re Mitsubishi Jidosha Kogyo Kabushiki Kaisha*, 19 USPQ2d 1633 (TTAB 1991) and *In re International Telephone & Telegraph Corp.*, 197 USPQ 910 (TTAB 1986).

Although there is no evidence on this factor, it is reasonable to assume that purchasers of communications components are sophisticated and knowledgeable about those products, a point that would favor respondent. However, even sophisticated purchasers would be susceptible to source confusion, particularly under circumstances where, as here, the goods and services are closely related and are sold under similar marks. See *Wincharger Corp. v. Rinco, Inc.*, 297 F.2d 261, 132 USPQ 289, 292 (CCPA 1962). See also *In re Pellerin Milnor Corporation*, 221 USPQ 588 (TTAB 1983).¹⁵ Thus, we find that this *du Pont* factor favors a finding of likelihood of confusion.

Decision: The petition to cancel is granted, and Registration No. 2439269 will be cancelled in due course.

¹⁵ As noted earlier, all but one of respondent's affirmative defenses were ordered stricken by the Board and respondent was plainly advised regarding the remaining defense that geographic restrictions are irrelevant in an opposition proceeding. Consequently, the Board has given no consideration to respondent's arguments pertaining to these defenses. In any event, we would find even on the merits that the defenses are unfounded and/or unproven.